

Article - Criminal Law

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§13–1404.

(a) (1) In this section, “paper gaming” means a game of chance in which:

- (i) prizes are awarded; and
- (ii) the devices used to play the game are constructed out of paper or cardboard.

(2) “Paper gaming” includes tip jar and punchboard gaming.

(3) “Paper gaming” does not include bingo.

(b) (1) Subject to paragraphs (2) and (3) of this subsection, a person that is a for profit business or an organization listed under § 13-1403(b) of this subtitle may engage in paper gaming if the person obtains a paper gaming license that is issued by the County Commissioners.

(2) If the person is a for profit business, the person:

(i) shall also hold a Class A, B, C, or D retail alcoholic beverages license; and

(ii) may engage in paper gaming only on the premises of the for profit business.

(3) Subject to paragraph (4) of this subsection, an organization may engage in paper gaming if the organization:

(i) is listed under § 13-1403(b) of this subtitle and does not have an alcoholic beverages license; or

(ii) is a county volunteer fire department or rescue squad and has an alcoholic beverages license.

(4) An organization under paragraph (3) of this subsection may engage in paper gaming only on its premises.

(c) A person may sell paper gaming devices to a paper gaming licensee if the person obtains a wholesale vendor’s license issued by the County Commissioners.

(d) The County Commissioners shall set annual fees for a paper gaming license and a wholesale vendor's license.

(e) Not later than the fifteenth of each month, wholesale vendor licensees shall provide to the County Commissioners a list for the previous month of all customers to whom they sold paper gaming products and the total number of products sold to each customer.

(f) A paper gaming licensee may not have on its premises a paper gaming device that does not display a gaming sticker issued by the county.

(g) The County Commissioners shall ensure that each licensee who conducts paper gaming under a paper gaming license sells to the public the same serial-numbered paper gaming devices that are listed on the bill of sale from the wholesale vendor licensee.

(h) The County Commissioners may impose the following paper gaming taxes:

(1) on licensees that are qualified organizations, 10% of gross profits minus the costs of paper gaming products; and

(2) on licensees that are for profit businesses, 40% of gross profits minus the costs of paper gaming products.

(i) (1) In this subsection, "Fund" means the Special Gaming Fund.

(2) The County Commissioners shall establish a Special Gaming Fund.

(3) The Fund is a special continuing, nonlapsing fund.

(4) The Fund shall be used only to benefit fire and rescue services.

(5) (i) The Fund consists of:

1. revenue derived from the taxation of gross profits from tip jar sales; and

2. subject to subparagraph (ii) of this paragraph, money received from other sources.

(ii) Money from the General Fund of the State or the county, including any federal money, may not be transferred by budget amendment or otherwise to the Fund.

(6) The Fund shall be invested and reinvested in the same manner as other county funds.

(7) Annually the County Commissioners shall:

(i) pay from the Fund all administrative costs of carrying out this section, including the hiring of additional necessary personnel; and

(ii) allocate the remaining money in the Fund to fire and rescue services.

(j) The County Commissioners may adopt rules and regulations to administer and enforce this section.

(k) The County Commissioners may:

(1) hire or designate one or more inspectors; and

(2) authorize each inspector to enter the premises of a licensee to ensure compliance with this section or a rule or regulation adopted under this section.

(l) The County Commissioners may adopt an ordinance or resolution declaring that:

(1) a violation of this section or a rule or regulation adopted under this section is a misdemeanor punishable by a term of imprisonment not exceeding 30 days or a fine not exceeding \$1,000 or both; and

(2) each day that a violation continues is a separate offense.

(m) After a hearing, if the County Commissioners or a designee of the Board finds that a paper gaming licensee, a wholesale vendor licensee, or an agent of a licensee has violated this section or a rule or regulation adopted under this section, the Board may suspend or revoke the license in addition to any fine or penalty imposed under this subsection.

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